

AGENDA REPORT

Resolution: Approve a Project Budget of \$510,000; Delegate Authority to Approve the Plans and Project Manual to the Director of Engineering; Authorize the Executive Director to Enter into a Contract with SDV Services, Inc. for an Amount Not-to-Exceed \$375,000 for the Crane Safety Ladder Installation Project. **(Engineering)**

MEETING DATE: 6/13/2019

AMOUNT: \$510,000 Budget Authority
\$375,000 Contract Authority
Capital Expenditure

PARTIES INVOLVED: SDV Service, Inc., Alameda/CA
Victor L. Rollandi, President

SUBMITTED BY: Robert Andrews,
Interim Director of Engineering/Chief Engineer

APPROVED BY: J. Christopher Lytle, Executive Director

ACTION TYPE: Resolution

EXECUTIVE SUMMARY

Staff is requesting approval of a \$510,000 Project Budget, delegated authority for the Director of Engineering to approve the Plans and the Project Manual, and authorization for the Executive Director to enter into a contract with SDV Services, Inc. in the amount not-to-exceed \$375,000 for the Crane Safety Ladder Installation Project. The installation of the safety ladder fall arrest system is necessary to comply with Occupational Safety and Health Administration (“OSHA”) Ruling FS-3903-2016 requirements. The project includes installation of OSHA compliant fall arrest systems on all ladders in thirteen (13) Port-owned cranes.

BACKGROUND

In 2016, the Occupational Safety and Health Administration (“OSHA”) issued ruling FS-3903-2016 that requires all new and replacement ladders over 24 feet to be retrofitted with a fall arrest or ladder safety protection system within 2 years; and requires all existing cage and well ladders over 24 feet to be retrofitted within 20 years. Port cranes have internal ladders (similar to well ladders) within each leg of the crane that exceed the 24 feet height requirement and therefore need to comply with the second deadline for retrofit. The Port currently owns a total of 21 cranes with ladders that need to be retrofitted. The Port owned cranes are:

Berths 57-59: Cranes XC14, XC15, XC16, XC17, XC18, XC19
Berths 55-56: Cranes XC10, XC11, XC12, XC13
Berth 37: Crane X437
Berth 32: Crane XC41
Berths 24-26: Cranes XC40, X434, X435
Berths 22-23: Cranes X438, X439
Berths 67-68 (Howard Terminal): Cranes X422, X415, X416, X417

As part of the recent SSA Crane Raise Project, fall arrest ladder systems were installed on cranes XC14, XC15, XC16, and XC17 last year, which is within the required 2-year deadline for replacement ladders. Installation of fall arrest systems on the remaining Port owned cranes is still needed to comply with the OSHA ruling. The retrofit of the ladder systems on the four (4) cranes at Howard Terminal, are being deferred due to operational considerations. This leaves thirteen (13) cranes that will require retrofitting. This amounts to approximately one hundred (100) safety ladder fall arrest systems that need to be installed to meet current OSHA requirements for ladders.

ANALYSIS

The OSHA ruling outlines two (2) options for compliance. Either a fall arrest system or a safety ladder protection system will meet compliance. A safety ladder system consists of a carrier, safety sleeve, lanyard, connectors, and body harness. A fall arrest system (“FAS”) consists of a body harness, anchorage, and connector, and may include a deceleration device, lanyard, lifeline, or a suitable combination. Staff recommend implementing the FAS because:

- FAS is the only feasible solution due to limited space inside each crane leg without major modifications to the crane;
- FAS is the least intrusive and most economical solution that satisfies the current OSHA Ruling; and
- FAS is consistent with the ladder system previously installed on the 4 cranes as part of the SSA Crane Raise Project (XC14 through XC17).

Although the Port has until year 2033 to comply with the new ruling, staff recommends installing the safety system now on the thirteen (13) cranes. Installing FAS on all of the cranes now is cost effective and will provide the safety benefits of FAS immediately. If any of these cranes are raised in the future, the FAS can be modified at that time.

Therefore, Port staff prepared plans and project manual and solicited bids through a formal Public Works construction bidding process for the installation of FAS on the thirteen Port-owned cranes noted above (not including Howard terminal).

On May 3, 2019, two bids were received. The bids are listed in Table 1 below.

Table 1. Crane Safety Ladder Installation Bid Summary

| Bidder | Location | Total Bid Price (Low to High) |
|---------------------|-----------------|----------------------------------|
| SDV Services, Inc. | Alameda, CA | \$315,000.00 |
| SilMan Construction | San Leandro, CA | \$364,043.54 |

Staff determined that SDV Services, Inc. (“SDV”) is the lowest responsive, responsible bidder and recommends awarding the Crane Safety Ladder Installation Project to SDV Services, Inc. in the amount not to exceed \$375,000 (includes \$60,000 contingency). SDV is appropriately licensed and experienced to perform the work. The work will take approximately 4 months to complete once started.

BUDGET & STAFFING

This project will commence in FY 2020 and has been included in the FY 2020 proposed Capital Budget.

The Project budget is estimated as follows:

Table 1. Project Budget

| Phase | Consultant | Port Labor | Contractor | Other Costs* | Total Budget** |
|-------------------------------|------------|------------|------------|--------------|------------------|
| Design | \$0 | \$35,000 | \$0 | \$5,000 | \$40,000 |
| Construction | \$10,000 | \$60,000 | \$315,000 | \$85,000 | \$470,000 |
| Total Budget Requested | | | | | \$510,000 |

* Other costs include items such as permitting, legal costs, other consultants, and \$60,000 (approx. 20%) contingency.

** Staff may exceed the individual category cost in Table 1 if i) the effort is needed and ii) if other cost categories require less effort than estimated. The aggregate of all category costs shall not exceed \$510,000 without Board approval.

The proposed action does not have any staffing impact.

MARITIME AVIATION PROJECT LABOR AGREEMENT (MAPLA)

The provisions of the Port of Oakland Maritime and Aviation Project Labor Agreement (MAPLA) apply to this work.

STRATEGIC PLAN

The action described herein would help the Port achieve the following goals and objectives in the Port's Strategic Business Plan (2018-2022).

<https://www.portoakland.com/wp-content/uploads/Port-of-Oakland-Strategic-Plan.pdf>

- Goal: Modernize and Maintain Infrastructure
- Goal: Strengthen Safety and Security

LIVING WAGE

Living wage requirements, in accordance with the Port's Rules and Regulations for the Implementation and Enforcement of the Port of Oakland Living Wage Requirements (the "Living Wage Regulations"), apply to this agreement as the service provider employs 21 or more employees working on Port-related work, the service provider is not per se exempt under the Living Wage Regulations, and the contract value is greater than \$50,000. Although the service provider is not principally providing services related to maritime or aviation business, the services to be performed for the Port will be physically provided on Port owned and managed premises.

SUSTAINABILITY

Port staff reviewed the Port's 2000 Sustainability Policy and did not complete the Sustainability Opportunities Assessment Form. Port staff concluded that there are no sustainability opportunities associated with the retrofitting existing ladders with cable fall arrest systems.

ENVIRONMENTAL

CEQA Determination: This action was reviewed in accordance with the requirements of the California Environmental Quality Act (CEQA) and the Port CEQA Guidelines. The Port has determined that this project, the crane safety ladder installation, is categorically exempt from the California Environmental Quality Act (CEQA) Guidelines pursuant to Section 15301, Existing Facilities. Section 15301 exempts from CEQA the repair, maintenance, and minor alteration of existing structures and facilities, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination.

GENERAL PLAN

Pursuant to Section 727 of the City of Oakland Charter, this project has been determined to conform to the policies for the transportation designation of the Oakland General Plan.

OWNER-CONTROLLED INSURANCE PROGRAM (OCIP)

As the construction project is a capital improvement project, the applicable Owner Controlled Insurance Program (OCIP) coverages and provisions apply to the construction phase.

OPTIONS

The following are options for the Board's consideration:

- 1) Approve a Capital Budget of \$510,000; delegate authority to approve Plans and Project Manual to the Director of Engineering; and authorize the Executive Director to enter into a contract with SDV Services, Inc. for an amount not-to-exceed \$375,000, for the Crane Safety Ladder Installation Project. This is the recommended option.
- 2) Delay the Crane Safety Ladder Installation Project until next fiscal year; do not delegate the authority to approve the Plans and Project Manual to the Director of Engineering; do not authorize the Executive Director to award a contract. Delay of this work may result in failure to comply with OSHA ruling FS-3903-2016 that could lead to potential sanctions or increased cost to implement in later years.

RECOMMENDATION

Staff recommends that the Board adopt a resolution to:

- 1) Approve a Capital Budget of \$510,000;
- 2) Delegate authority to approve the Plans and Project Manual to the Director of Engineering; and
- 3) Authorize the Executive Director to Enter into a Contract with SDV Services, Inc. for an Amount Not-to-Exceed \$375,000, for the Crane Safety Ladder Installation Project.

Attachment: OSHA Fact Sheet FS-3903-2016